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FOLLOW-UP TO THE EVALUATION OF THE TRADE POINT PROGRAMME:

FOLLOW-UP ACTION PURSUANT TO THE RECOMMENDATIONS IN THE EVALUATION AND IMPLEMENTATION OF THE AGREED CONCLUSIONS OF THE THIRTY-THIRD SESSION OF THE WORKING PARTY

I. Follow-up action pursuant to the recommendations in the evaluation

Recommendations contained in the in-depth evaluation report (TD/B/WP/110)	Member States' views on the recommendations expressed at the Working Party, as recorded in the Chairman's summary (TD/B/WP/115)	Follow-up actions
25. ***Recommendation - Develop a Global Trade Point Network knowledge management framework*** - More effective knowledge management within the Global Trade Point Network is essential if Trade Points are to collectively exploit global information resources for the benefit of their clientele. UNCTAD and the ITC should consider a much broader role in knowledge management within the Global Trade Point Network, for at this stage the network lacks the centralized resources to set up and administer an effective knowledge management framework. In addition, the	Paragraph 25. Most delegations agreed with the evaluation team that a knowledge management framework was one of the most important recommendations for the UNCTAD secretariat to implement, as it would address the concerns of many countries with respect to the lack of information flows. Concern was expressed by several delegations, however, with regard to the cost of implementation. Having been informed that it would greatly	Initial steps towards the renovation of the Global Trade Point Network (GTPNet) have been taken within existing regular budget resources. It will host three types of information services: (i) trade-related information originating from individual Trade Points; (ii) an open area for information exchange among all participants which will

secretariat could utilize knowledge management applications to share information and experience internally and with the Trade Points.	depend on the size of the system, ranging from US$ 500,000 to several million, these delegations requested the secretariat to come up with a concrete proposal with a clear indication of resource requirements. Some delegations suggested that, given the importance of this recommendation in addressing the one real concern of the Trade Points, the work could begin gradually.	include a knowledge management database; and (iii) general information, which will be maintained by the central team (see TD/B/WP/120 for more details).
31. **Recommendation - Simplify the Trade Point certification requirements** - The requirements for establishing a Trade Point should be relaxed to take into account differing legal environments in member States and to allow existing trade promotion or facilitation organizations or private sector entities to join the Global Trade Point Network more easily. In particular, the requirement for a separate association or legal entity for Trade Points should be eliminated or waived in the case of existing organizations with a track record in providing trade information or facilitation services.	Paragraphs 31, 32. Many delegations supported the recommendations regarding simplification in the certification of Trade Points. One delegation attached particular importance to this recommendation.	Following the positive experience from a pilot implementation of relaxed certification requirements, the simplified criteria were extended to all Trade Points. In addition to separate legal entities, Trade Points can now be established within existing organizations with a track record in providing trade information or trade facilitation services. The simplified procedure has allowed a number of well-functioning Trade Points to be formally recognized as operational and has met with positive feedback from the Trade Point community.
32. **Recommendation - Increase national Governments' responsibility for certifying Trade Points** - National authorities should be more closely associated with the UNCTAD secretariat responsibility in respect of the field of certification. National Governments, particularly those which are actively involved in promoting trade efficiency, should be granted the option to independently certify Trade Points in the absence of a national or regional Trade Point federation. While it would be preferable to have a Trade Point federation assume this role, this measure would help to reduce the administrative burden on the secretariat and ensure the continued engagement of the Government with respect to the Trade Point Programme.		Interested Governments have always been associated with the process of development and evaluation of Trade Points in their countries. UNCTAD is fully prepared to discuss modalities of government involvement in Trade Point certification with any Government wishing to do so.
33. **Recommendation - Focus federation establishment efforts at the regional level** - Given the present stage of the Global Trade Point Network's evolution and its resource limits, the development of a world federation of Trade Points will be difficult to accomplish but should remain an	Paragraphs 34, 35. Some delegations felt that setting up Trade Point federations could increase bureaucracy and that the role of the UNCTAD secretariat vis-à-vis such federations was not clear. Other delegations cited the	Conditions are not yet in place for the creation of a worldwide federation of Trade Points. In the meantime UNCTAD has been providing all necessary support to Trade Points

ultimate goal. Efforts should therefore be concentrated on building regional federations/associations, with a view to eventually creating a world body when conditions permit. In the meantime, the Commission on Enterprise, Business Facilitation and Development and related expert meetings should act as a coordinating mechanism.	positive experience of regional federations in Latin America and the Caribbean. Several delegations agreed with the recommendation that, at this stage, the effort should be aimed at establishing regional federations and servicing regional needs, rather than attempting to establish a global federation.	which feel the need to associate themselves on a regional basis. As of now, the Inter-American Trade Point Forum has been formally established and the process is under way in Asia and Pacific, the Arab/Mediterranean region, English-speaking African countries, and French- and Portuguese-speaking Africa.
38. **Recommendations - Pursue the development of a next-generation ETO system which provides qualified trade opportunities** - Depending on the direction taken with respect to the SEAL initiative (see below), the secretariat should continue to pursue the development of an upgraded ETO system. The Secure ETO system (SETO), which requires registration of the organization issuing ETOs with Trade Points (and other certification authorities if operated within the SEAL infrastructure) would offer a much higher quality of trade opportunities and should be pursued. The ultimate configuration should be standards-based, utilize structured data formats and otherwise conform to the Global Trade Point Network's principles of interoperability. SETO should operate in parallel with the current ETO system, although the new service should be fee-based in order to provide a source of potential revenue for participating Trade Points and other agents. Another, less sophisticated, alternative would involve establishing a parallel ETO system, using structured formats, where issuance of new ETOs would be restricted to Trade Points, which would presumably charge for the uploading of trade opportunities to this new, more exclusive system. This would require developing standards (Trade Point federation or UNCTAD secretariat) to qualify the trade opportunities before they are sent to the central processing hub.	Paragraph 38. Several delegations stated that the ETO system was a very important and useful component of the Trade Points in their countries, and supported the recommendation. Some other delegations considered that UNCTAD had neither the mandate nor the capacity to develop or upgrade the ETO system. They considered that ETOs should be better dealt with by the private sector and possibly ITC.	The renovated GTPNet will also host the next-generation ETO system. Its design will be based on the conclusions resulting from the discussions of the Trade Point managers, end users of Trade Points and government representatives at their meeting on 26 to 28 may 1999 in Geneva (see TD/B/COM.3/24).
47. **Recommendation** - While commercial vendors (Verisign, Entrust, Microsoft, IBM, Netscape, TradeWave, Xcert, etc.) and service providers (Deloitte & Touche's NetDox, GTE Cybertrust, etc.) are currently beginning to dominate the market, there is no co-ordinating body to help consolidate the market in terms of standards, regulation and legal issues, cross-certification, and education. We do not see the United Nations as an implementation and execution agency dealing directly with certificates. We	Para graph 47. There was consensus the work on SEAL should be interrupted. One delegation indicated that it was not ready to accept any recommendation relating to SEAL.	At the thirty-second session of the Working Party it was decided that the work on SEAL should be interrupted (see TD/B/WP/115, chap. I).

see the United Nations as a public organization setting and managing standards. Operation of the infrastructure should be left to the private sector. We suggest that a discussion be held between member States to assess the best modalities for establishing standards in such a field. 48. It has to be taken into account that there is a strong need to search for solutions for secure electronic commerce and the SEAL initiative could facilitate its advent, but at present there is no mandate from member States. It would therefore be recommendable for Governments to consider this matter in the relevant policy-making bodies of the United Nations		
52. **Recommendation** - The trade efficiency assessment process, which is to be implemented on a voluntary basis, should be encouraged to provide means of measuring trade efficiency and its evolution in time. Expert meeting(s), with the participation of Trade Point representatives, could be held to propose decisions on issues raised by the present evaluation, in particular on the following topics: - The secretariat's role and mandate; - The role of Governments and the need to review the text of Columbus; - The content and modalities of technical assistance to be provided to Trade Points.	Paragraph 52. Some delegations supported the recommendation for an expert meeting so as to cover the more technical aspects. Some other delegations opposed this on the grounds that it was not for an expert meeting to discuss the mandate of the secretariat, that the Working Party could not have an expert meeting shoulder its responsibility for programme questions, or that an expert meeting should discuss broader substantive issues rather than technical cooperation provided by the programme. Several delegations supported the proposal of one delegation for an ad hoc expert group of the Secretary-General of UNCTAD or some other similar mechanism.	This recommendation is addressed to the member States, rather than the secretariat.
53. As planned in 1993, the financial consequences for the UNCTAD secretariat of Programme implementation should be more systematically assessed and the relevant recommendations brought to the Working Party.	Paragraph 53. Some delegations indicated that, while this paragraph was not under the heading "Recommendations", its content was important and needed to be taken into account by the secretariat.	The financial consequences for the UNCTAD secretariat of Programme implementation are addressed in the Trade Point Programme strategy, which is submitted for consideration by the Working Party (see TD/B/WP/120).
56. **Recommendation - Develop standardized technical assistance packages for Trade Points under development and set preconditions for such assistance** - The example of the training courses developed for the Romanian Trade Point should be pursued and enable the development of a comprehensive training package/[illegible]ate or [illegible]	Paragraph 56. Most delegations considered the recommendation to enhance technical assistance as very important and fundamental. One delegation suggested that other models of technical assistance or training could also be looked into. While some delegations would have liked to	The training courses developed for the Romanian Trade Point have been delivered also to Trade Points in Ethiopia and Zambia.

of existing training materials. The following topics have been identified as priority areas: - Developing and managing the Trade Point WWW site - Electronic commerce fundamentals; - Developing online product catalogues, including a survey of currently available software for creating and commerce-enabling online catalogues; - Developing trade information services, building on current ITC training capabilities.	this paragraph extended not only to Trade Points in the development stage but also to those in operation; another delegation felt that some prioritization might be necessary and the needs of Trade Points in operation could be better addressed by such measures as those recommended in paragraphs 60 and 62. Some delegations could not support the recommendation to establish preconditions for technical assistance as contained in paragraph 58, while some other delegations supported it.	
57. Clearer lines between the respective roles of UNCTAD and ITC should be drawn regarding Trade Point Programme implementation.	In the context of the recommendations in paragraphs 56, 57 and 60, reinforced cooperation between UNCTAD and ITC was called for. Delegations noted the evaluation of the ITC programme on trade information; there had been consultations between UNCTAD and ITC on both evaluations, including meetings between the UNCTAD evaluation team and the ITC evaluator, and the ITC evaluation would be discussed at a separate meeting convened by ITC later in the year. Several delegations indicated that the two secretariats should better delineate their respective areas of activity so as to avoid duplication, in line with the recommendation contained in paragraph 57.	UNCTAD and ITC cooperate closely in the delivery of technical assistance to Trade Points. All activities relating to Trade Points are the subject of consultations between the two agencies and, whenever the expertise of both is needed, activities are conducted jointly, with clearly divided lines of responsibilities.
58. Preconditions should be established for providing technical assistance to a specific Trade Point. These might include co-financing by the host Government or a commitment by the host Government or a private sector sponsor to assist in funding the Trade Point operation during an initial period of operation. Any distance learning courses developed could reside within the Global Trade Point Network virtual Intranet described previously in this report.		In all donor-funded technical cooperation projects executed by UNCTAD and addressed to specific Trade Points, a contribution by the beneficiary is a rule. As a result, the host Government or the private sector sponsor co-finances or provides in-kind contributions for the establishment and operation of the Trade Point.
60. **Recommendations - Added value services for clients:** Reliable trade data is the main concern of ITC, and verification, especially done remotely, is very expensive. Here Trade Points could play an active role in collecting, verifying and feeding back data into various trade information databases. For example, ITC is issuing voluminous weekly reports (e.g. world market commodities price information) which are also subscribed to by Trade Point customers. An added value service and sustainable source of revenue for Trade Points could be to customize these reports for their clients. These clients in turn would be charged less (than for the whole	Paragraph 60. Some delegations considered the recommendation on added-value trade information services important or interesting in terms of its potential for revenue creation. Some others expressed reservations, considering that the recommendation was too ambitious and too expensive. A member of the evaluation team pointed out that this recommendation needed to be read in conjunction with the outcome of the ITC evaluation on	This recommendation is addressed to the individual Trade Points, rather than to UNCTAD's Trade Point programme.

bundle) and would, in addition, receive information specifically tailored to their needs. However, this service is very human resource intensive and would require pre-investments that not all Trade Points can afford.	trade information.	
62 **Recommendation - Assist in negotiating with private sector providers of fee-based trade information services**, such as product market research, country risk analysis and company credit reports - either for internal use or for resale to Trade Point clients. Although the secretariat cannot directly negotiate such agreements, it should be possible to work initially with a small group of interested Trade Points (for example, a regional Trade Point federation) to develop pilot agreements which other Trade Points could sign on to in the future. Individual Trade Points have already successfully negotiated re-marketing contracts with information providers such as Dun & Bradstreet and the Economist Group, and a larger grouping of Trade Points should therefore be able to obtain finer pricing by virtue of their greater potential purchase volumes.	Paragraph 62. Some delegations expressed doubt as to whether an intergovernmental organization should conduct negotiations with the private sector on behalf of Trade Points. One delegation pointed out that, aside from this general reservation, if anything it appeared more appropriate for ITC rather than for UNCTAD to engage in such an activity. Other delegations considered such activities as useful and recalled that UNCTAD undertook similar activities elsewhere (RBPs). The representative of ITC explained that ITC did not negotiate on behalf of Trade Points but only assisted them in such negotiations.	UNCTAD is waiting for UN Headquarters to provide guidelines in this area which will be applicable to the UN as a whole.
64. **Recommendation in addressing running costs** - The Global Trade Point Network should facilitate the exchange of experience between Trade Points (e.g. in pricing for their services). Moreover, Trade Points could be assisted in the budget planning process, which would then attract public or private support more easily. The secretariat should also develop guidelines for Trade Points to follow in preparing proposals to the local offices of donor agencies. Many Trade Points have successfully attracted funding from related donor programmes within their countries, though a more structured methodology, based on the UNCTAD secretariat's extensive experience, would be likely to contribute to an increased success rate for such locally generated proposals. These guidelines could reside within the Virtual Global Trade Point Network Intranet described earlier in this report. 65. **Recommendation in addressing technical assistance needs** - The UNCTAD secretariat should intensify its coordinating role in this field with the identification of (common) needs and assistance for finding the appropriate executing organization. As a consequence, it should continue to take the lead in generating awareness of the Trade	Paragraphs 64, 65. Several delegations supported the recommendations on assistance on budget planning and in fund raising. Other delegations considered that Trade Points should be commercially viable and therefore that such activities should be left to their initiative and to the support provided by the private sector. One delegation questioned the usefulness of a newsletter. Another delegation wished to have a recommendation, or a conclusion by the Working Party, to call for increased financial support for Trade Points by the international community.	The renovated GTPNet will, in its general section, include guidelines for the preparation of project documents, outlining a standard structure and giving examples of possible definitions of activities, as well as formulation of other elements of information required by donors. For this purpose, the logical framework approach will be used. The next newsletter on programme activities and developments will be circulated to Trade Points and missions in Geneva in October 1999.

international agencies. A quarterly newsletter, available on paper and via e-mail, would be one way to increase the Programme's visibility.		

67 **Recommendation - Finance further sustainable development of the Trade Point Network**, for which we suggest a close partnership with industry: the UNCTAD secretariat should specify the functionality of Trade Point e-commerce software (e.g. ETO filtering software) and put together a software reference implementation (ideally based on public-domain software). Software companies should be encouraged to build commercial versions of these software applications. Financial institutions should provide digital payment services to the Trade Point Network. Consulting companies could provide assistance in setting up the infrastructure, in training users, etc. 68 **Recommendation - Develop a standard approach to analysing and reporting on new trade-related products and services** - UN agencies could be instrumental in centralizing and disseminating information on existing products and services, to enable Trade Points or member States to assess the benefits and implications of these products or services. Types of initiatives that should be assessed include: • Products and services designed to enhance the trade efficiency of various elements of the international trade process or to offer new approaches to the delivery of trade-related services. Annex 6 provides a summary of two relevant initiatives: (1) Project Bolero, which is a private sector initiative involving SWIFT to create a paperless ocean bill of lading; and (2) TradeCard, an import financing facility for small companies developed by the World Trade Centres Association, which also features the capability to electronically transmit the documents required to consummate the transaction. • Over the past years various Trade Points have developed several trade information and facilitation services and software. The Global Trade Point Network should be used more extensively as a means of marketing for these products.	Paragraphs 67 and 68. Some delegations expressed strong reservations on a possible role for the secretariat as a bridge between the private sector and the Trade Points on technological developments and considered that Trade Points themselves should enhance cooperation with industry. Other delegations stressed that, while the ultimate aim would be to achieve self-sustainability, Trade Points in developing countries still needed UNCTAD's assistance in this area.	The Trade Point programme staff monitors technological advances in the area of e-commerce, including suitable products available on the market. Relevant information will be brought to the attention of Trade Points and interested Governments through the open and shared area of the renovated GTPNet. In the area of the renovated GTPNet, which is reserved for information originating from Trade Points, they can place information about tools and systems developed by individual Trade Points with conditions/prices for dissemination.

70. **Recommendation** - Following any suggested expert meeting, which may specify the future UNCTAD secretariat role and mandate, it is likely that the secretariat will have to adapt the expertise of its technical staff in trade and electronic commerce and reorganize the management of the enlarged staff along functional lines. 71. If the development of the SEAL initiative is pursued (mandated by member States), the UNCTAD secretariat will also have to reinforce its technical expertise in the field of electronic commerce. Although the Evaluation Team is aware that UNCTAD secretariat resources are limited, at the same time there is evidence of a large volume of unmet requests for assistance from the 100+ Trade Points in the development phase - particularly those in least developed countries. 72. The management of the Trade Point Programme should be organized into three functional areas, including: • Trade Point Programme "marketing" for the development of Trade Points, including donor relations and activities related to Partners for Development (private sector); • Trade Point management and administration of central services for the Trade Point Network (e.g. WWW sites, Listservs, certification); • Research and development on trade efficiency and electronic commerce in support of the intergovernmental debate.	Paragraphs 70, 71 and 72: Several delegations recalled their position that the work on SEAL should be interrupted. Delegations suggested that UNCTAD conduct research and analysis on electronic commerce issues related to development. A few delegations pointed out that UNCTAD should not be engaged in "research and development" (para. 72) but rather in "research and analysis".	Recruitment of a technical specialist to reinforce the Trade Point team is under way. Since November 1998, responsibility for the technical aspects of the Trade Point Programme has been assigned to a regular UNCTAD staff member based in Geneva. In April 1999 the same staff member was assigned full responsibility for all aspects of the programme. The setting-up of a more detailed structure of the Trade Point Programme is pending the filling of the currently vacant posts.

2. Implementation of the agreed conclusions of the thirty-third session of the working party

The proposed strategy for the Trade Point Programme contained in document TD/B/WP/120 also responds to the provisions of paragraph 11 of the agreed conclusions.